

Notice



March 8, 2006

SUBJECT: New Filing Fees

The Deficit Reduction Act of 2005 (Pub.L. 109-171) was enacted on February 8, 2006 and includes changes to certain bankruptcy filing fees. These fee increases will take effect for all new cases filed 60 days from enactment of the bill. **Thus, the increases will apply to all new cases filed on or after Sunday, April 9, 2006.**

New Fees¹

Chapter 7 Filing Fee: Increased from \$274 to \$299

Chapter 13 Filing Fee: Increased from \$189 to \$274

Conversion of Chapter 7 to Chapter 11: Decreased from \$780 to \$755

Conversion of Chapter 13 to Chapter 11: Decreased from \$850 to \$765

The incremental amounts collected under all of these increases shall be deposited into a special fund in the Treasury to be established after the enactment of the act.

Some of you may be aware that there have been some constitutional issues raised with respect to the Act because the House and the Senate passed slightly different versions of the bill². However, absent further action, the statutory fee increases mandated by the Act will go into effect on April 9.

Richard S. Oda Clerk of Court

¹ It appears that Congress intended to increase chapter 11 filing fees as well, from \$1,000 to \$2,750, which would raise the total fees due at filing to \$2,789. However, there is a drafting error in the bill which incorrectly references the statutory subsection prescribing the chapter 9 fee, rather than the chapter 11 fee. Thus, the chapter 11 fee, at this time, is unaltered. We will keep you apprised of Congress's actions to address this drafting error.

² There has been a case filed in the District Court for the Southern District of Alabama, challenging the constitutionality of the Act on these grounds.